



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IX

75 Hawthorne Street
San Francisco, CA 94105-3901

March 25, 2022

Sent via email only

Roya Kambin
Principal, Permitting & Regulatory Compliance
Mendota Carbon Negative Energy Project Co LLC
9525 Camino Media
C1018
Bakersfield, CA 93311

Re: Permit Application Withdrawal - Underground Injection Control (UIC) Permit Application No. R9UIC-CA6-FY20-1 (Carbon Capture and Storage Project in Mendota, California)

Dear Ms. Kambin,

On January 20, 2022, Mendota Carbon Negative Energy Project Co LLC (MCNEP) informed the United States Environmental Protection Agency, Region 9 (EPA) of the following changes to its permit application:

- Relocation of the proposed UIC Class VI injection well to comply with Federal Aviation Administration guidelines related to a nearby airport and for cost improvement purposes;
- Proposed construction of a characterization well for collecting hydrologic and geomechanical data, pending an approval by the City of Mendota;
- Acquisition of 3D seismic data to determine the intensity of fractures in the project area; and
- Update of the Area of Review (AoR) Modeling that incorporates additional hydrologic, geomechanical, and seismic data.

In addition to the above changes that will require new permit application data, MCNEP has not provided EPA with the necessary financial assurance details required of a complete permit application¹ (see enclosed EPA email to MCNEP, dated February 4, 2022). Consequently, the MCNEP permit application is now deemed substantially incomplete; EPA hereby requests that MCNEP withdraw its UIC permit application by April 15, 2022 and re-submit when the above information is complete.

Should MCNEP not withdraw by April 15, 2022, EPA will initiate permit denial proceedings per 40 CFR §§ 124.3(c) and (d) and 40 CFR § 124.3(a)(2). Withdrawal of the current application will not prejudice or adversely affect EPA's consideration of a complete application in the future.

¹ Clean Energy Systems submitted the initial permit application to EPA on February 18, 2020. EPA received a request dated August 31, 2021 to transfer the permit application to MCNEP. MCNEP is a joint venture between Clean Energy Systems, Chevron, and Schlumberger.

If you have any questions regarding this letter, please contact David Albright, Manager of our Groundwater Protection Section, at 415-972-3971, or via email at Albright.David@epa.gov.

Sincerely,

**TOMAS
TORRES**

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Date: 2022.03.25
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Tomás Torres
Director, Water Division

Enclosure

cc: Rebecca Hollis, Clean Energy Systems
Natalie Nowiski, Schlumberger
Mark Ghann-Amoah, CalGEM Inland District
Janice Zinky, CA State Water Resources Control Board
Clay Rodgers, Central Valley Regional Water Quality Control Board
Rolando Castro, Mayor, City of Mendota